

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 1207 - SB 1111**

March 24, 2009

**SUMMARY OF BILL:** Requires the court to subtract any amount the child receives as a result of an obligor's disability from the obligor's child support payment. Withholdings from social security disability payments for child support arrearages are limited at 4 percent. A parent becoming disabled or eligible to receive supplemental security income shall constitute a change in circumstances for purposes of petitioning for a change in the parent's child support obligation.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$19,800/One-Time**

**Other Fiscal Impact – The Department of Human Services could be in jeopardy of losing federal funds in the amount of \$45,655,600 in FY09-10 if the provisions of the bill result in non-compliance with federal law. The amount of federal funds lost will gradually increase each year the state continues to be non-compliant.**

Assumptions:

- The change to the child support calculation will not result in a significant impact to the caseloads of the state and local courts systems. Any cost can be accommodated within existing resources without an increased appropriation or reduced reversion.
- The Department of Human Services (DHS) would have to make modifications to the Child Support Web site and to the four applications. The Department estimates 300 man hours for analysis, design, programming and testing at a rate of \$66 dollars per hour resulting in a one-time increase in expenditures of \$19,800.
- DHS could be in jeopardy of losing \$41,395,600 in Title IV-D federal matching funds of the Child Support Enforcement program due to non-compliance with federal law 45 CFR 302.56 and the State Child Support plan. Also, this could result in the state being assessed penalties against the state's block grant for the Families First program of

approximately \$4,260,000 in the first year (two percent of the \$213,000,000 block grant).

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director

/kml